

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

March 21, 2000 LB 936

with amendments. That's all that I had, Mr. President.
(Legislative Journal pages 1157-1161.)

PRESIDENT MAURSTAD: Thank you, Mr. Clerk. LB 936.

CLERK: Mr. President, LB 936 was a bill introduced by Senator Matzke and other members. (Read title.) Bill was introduced on January 5 of this year, at that time referred to the Revenue Committee. Bill was advanced to General File. I do have Revenue Committee amendments pending, Mr. President.

PRESIDENT MAURSTAD: Thank you, Mr. Clerk. Senator Matzke, you're recognized to open on LB 936.

SENATOR MATZKE: Thank you, Mr. Lieutenant Governor and members of the Legislature. Good morning on this fine Monday morning. With the western end of the state snowed in, I was glad to get here last night at about one o'clock. This is LB 936, the Rural Economic Opportunities Act. Aiding Nebraska's growth in recent years have been business tax incentives to encourage new investment in employment. We've had the Quality Jobs Act, LB 829 in 1995. We've had the Employment Expansion and Investment Incentive Act, LB 270 in 1987. And we've had the Employment Investment Growth Act, better known as LB 775 in 1987. However, these incentive bills appear to contribute more to the growth in Nebraska's most populous counties, particularly in the metropolitan areas, than to growth in the state's mid- and small-size counties. To address this imbalance, there is a need for additional tax incentives favoring more business employment and investment in the smaller and mid-size counties of this state. Therefore, I introduced the Nebraska Rural Economic Opportunities Act, which proposes allowing Nebraska projects to qualify for incentives on three bases: first, by adding full-time equivalent employment equal to at least one-half of one percent of a county's labor force; secondly, by paying wages for the added employment that averages at least 125 percent of the lower of the county or state average annual wage paid by all employers and which is over 100 percent of the regional average wage; and, thirdly, by investing a minimum of \$100,000 times the required employment. In other words, if employment is increased by 5, it requires an investment of \$500,000. This bill would allow 70 Nebraska counties to have